National Parks Conservation Association®
Protecting Our National Parks for Future Generations®

October 15, 2008

HQ USACE
C/O Larry J. Prather, Assistant Director of Civil Works
Attention: P&G Revision, CECW-ZA
441 G Street, NW
Washington, DC 20314-1000
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*By Electronic Mail*

**RE: Comments on the proposed Phase 1 Revisions to the "Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies" dated March 10, 1983.**

Dear Mr. Prather:

On behalf of the National Parks Conservation Association (NPCA), thank you for the opportunity to provide comments on the Phase 1 revision of the "Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies", dated March 10, 1983. The revision of the Principles and Guidelines ("P&G"), as directed by Congress in the Water Resources Development Act of 2007 (WRDA 2007) must ensure that the U.S. Army Corps of Engineers implements sustainable stewardship of our nation's water resources for generations to come.

NPCA's mission is to protect and enhance America's National Park System for present and future generations. Through its DC headquarters and twenty-four regional and field offices, NPCA represents more than 340,000 members. As a leading advocate for our national parks, NPCA recognizes the critical role our nation's water resources play in maintaining our National Park System now and into the future.

NPCA is directly involved in several key water resources ecosystem restoration projects nationwide. NPCA partnered with the National Wildlife Federation and nearly 100 coalition partners to support and facilitate Great Lakes ecosystem restoration efforts. NPCA works with Everglades and Biscayne National Parks and other stakeholders to help realize effective Everglades restoration. As Chesapeake Bay restoration and protection advances towards a broader initiative, NPCA also coordinates with governmental and non-governmental partners for successful environmental benefits. Drawing from our expertise in these areas and others, NPCA offers the following comments on the proposed revisions to the Principles.

**Issue 1: Prioritization of Ecosystem Restoration**

In recent years, the U.S. Congress has delegated increasing authority and responsibility to the U.S. Army Corps of Engineers (Corps) for planning and executing critical water resources ecosystem restoration projects, such as Everglades restoration. Further, in the future, the Corps' portfolio of projects is likely to increasingly include efforts that are primarily ecosystem restoration projects or enhancements. The proposed revisions to the Corps' Principles and Guidelines need to prioritize this new and growing agency responsibility and ensure that ecosystem restoration is positioned on equal footing with the Corp's economic development and public safety directives.

The 1983 Principles and Guidelines focus solely on a water resource project's contribution to National Economic Development (NED). The Secretary's proposed Principles continue this trend. The P&Gs rest on a single national planning objective for water resources projects: "to foster environmentally sound, efficient use of the Nation's resources consistent with public safety." By emphasizing efficient use of water resources, this single national objective continues to subordinate ecosystem restoration to economic efficiency. Further, it is inconsistent with the congressional directive in WRDA 2007.

In WRDA 2007, Congress acknowledges the importance of ecosystem restoration in relation to all water resources projects. Congress specifically positions "protecting and restoring the functions of natural systems…" as one of the three objectives of the National Water Resources Planning Policy. In Section 2031(a) of WRDA 2007 Congress articulates:

> It is the policy of the United States that all water resources projects should reflect national priorities, encourage economic development, and protect the environment by—
>
> (1) seeking to maximize sustainable economic development;
> (2) seeking to avoid the unwise use of floodplains and flood-prone areas and minimizing adverse impacts and vulnerabilities in any case in which a floodplain or flood-prone area must be used; and
> (3) protecting and restoring the functions of natural systems and mitigating any unavoidable damage to natural systems.

**Recommendation:**

- The National Water Resources Planning Policy articulated in WRDA 2007 Section 2031(a) should be included in the revised principles (and guidelines) as the driving force of all water resources planning, and replace the "national planning objective" included on page 1 of the current draft of the Principles.

**Issue 2: Water Resources Project Evaluation and Benefit Assessment**

The proposed Principles should be revised to recognize viable ecosystem restoration projects as having stand alone value to the nation in the Corp's project evaluation procedures.

In the proposed Principles, the subsection, "Net Beneficial Effects Criterion," under Section 9.1, "Selection Criteria," describes how the Corps should select a water resources project plan for Federal action. According to the proposed language, projects are to be assessed both on their National Economic Development (NED) and Environmental Quality (EQ) costs and benefits. However, some aquatic

ecosystem restoration projects may contribute primarily to restoring and improving the nation's aquatic ecosystems. The invaluable ecosystem services these projects provide should be recognized as having high value and priority on their own.

The subsection "Net Beneficial Effects Criterion" further indicates that a water resources plan's cost/benefit assessment be based on a "with and without proposed plan" assessment. This form of analysis discussed in further detail in Section 6 of the proposed Principles, looks at future conditions in the plan area in the presence and in the absence of the proposed water resources project and "serves as one basis for estimating and evaluating the cost, effectiveness, and beneficial and adverse effects of the alternative plans." In the case of ecosystem restoration, if a proposed project plan is part of a larger multi-project ecosystem restoration effort, this form of analysis, which looks at a project in isolation, may not provide a complete picture of the project's effectiveness, costs or benefits. For example, the type of single project cost benefit analysis used in Everglades restoration, the Next-Added Increment (NAI) analysis, runs counter to the ecosystem-wide restoration goals and objectives of the Comprehensive Everglades Restoration Plan (CERP), the overall plan guiding Everglades restoration. Many of the critical Everglades restoration projects do not show benefit on their own when the NAI analysis is used because CERP was designed as an integrated ecological restoration program in which approximately 50 projects would work together to yield maximum ecosystem benefit.[1]

Under Section 9.2, "Project Types," the subsection "Aquatic Ecosystem Restoration" provides further guidance on how the Corps should select "optimal" ecosystem restoration water resources project plans. The subsection first states: "For aquatic ecosystem restoration features, the plan that is cost-effective, sustainable, and is the alternative plan that best reflects an appropriate level to invest for that ecosystem from a national perspective, after considering the national or regional significance and cost of protecting or restoring that ecosystem compared to others will be considered as minimally acceptable for selection." These criteria are unclear. How will these evaluative concepts be defined and measured in the context of ecosystem restoration? Cost-effectiveness and sustainability are concepts that necessitate different definitions, calculation tools and measures when evaluating a water resources ecosystem restoration project instead of a water resources infrastructure or economic development project. Additionally, it is important for the Corps to be explicit about how it will measure and define national or regional significance of a water resources ecosystem restoration project as well as how it will compare the values/costs of one ecosystem restoration project to another.

The "Aquatic Ecosystem Restoration" subsection of the proposed Principles further states: "Plans that address the most critical ecological needs using the minimum action needed to substantially improve the natural functions or services with increasingly higher cost effectiveness should be more heavily weighted in the selection process." While cost effectiveness is an important consideration in all project planning and implementation, it is very important that the Corps incorporate a representative valuation of ecosystem services and functions into its calculations of cost effectiveness for water resources ecosystem restoration projects. Ecosystem services and functions vary across space and time, which necessitates that the Corps develop good site specific indicators of environmental performance for cost accounting purposes. For example, the restoration efforts in the Everglades and in the coastal wetlands of Louisiana would each require the development of different indicators to represent the value of their respective wetland ecosystems.

Another important point that the Corps should consider in relation to this proposed language is that in the context of ecosystem restoration, complex projects requiring maximum action may sometimes be the most critical for advancing restoration in a timely and effective manner. In Everglades restoration, several of the

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[1] The National Academy of Sciences addresses the shortcomings of the NAI in Everglades Restoration in its report: Committee on Independent Scientific Review of Everglades Restoration Progress, National Research Council, National Academy of Sciences. 2008. *Progress Toward Restoring the Everglades: The Second Biennial Review.* Washington, D.C. See pages 80-83.

most critical restoration projects are those that require removing and reconfiguring water works as well as changing water management regimes to improve natural functions or services. Restoration projects that are complex but that will yield high environmental benefits and significantly advance restoration programs should not receive lower priority for project funding.

**Recommendations:**

- The Corps should insert a category into its project evaluation process that recognizes the stand alone value and importance of water resources projects that may contribute significant environmental value to the nation, while not necessarily providing significant economic value.

- The "Aquatic Ecosystem Restoration" subsection under Section 9.2 of the proposed principles should be revised to ensure that restoration projects that are complex but that will yield high environmental benefits and significantly advance restoration programs do not receive lower priority for project funding.

- The "Aquatic Ecosystem Restoration" subsection under Section 9.2 should clarify how the evaluative concepts that it is proposing will be defined and measured in the context of ecosystem restoration. Further, the Corps should share its intent to develop such new evaluative measures with the public and solicit comments on them.

- The "Aquatic Ecosystem Restoration" subsection under Section 9.2 should clarify how the Corps will incorporate a representative valuation of ecosystem services and functions into its calculations of cost effectiveness for water resources ecosystem restoration projects. Further, the Corps should share its intent to develop such new evaluative measures with the public and solicit comments on them.

- Under Section 8.2, "Required Accounts," a sixth account entitled "Ecosystem Services and Functions" should be added to account for the specific environmental benefits a water resources project is contributing, especially as applied to aquatic ecosystem restoration projects.

**Issue 3: Creating a Water Resources Project Planning Process that Recognizes the Specific Needs of Ecosystem Restoration Projects**

The proposed Principles should acknowledge that the associated Guidelines need to reflect a diversity of Corps policy objectives (ecosystem restoration, avoiding the unwise use of floodplains, economic development, infrastructure construction and public safety) and that a single set of Guidelines that applies to every type of project under all circumstances may not be efficient and effective. To this end, the Corps should revise and streamline its project planning process so that its Guidelines are more responsive to the unique purposes and characteristics of ecosystem restoration projects. Ecosystem restoration is a fundamentally different kind of undertaking that requires new kinds of regulations and guidance. Each restoration project will have its own unique environmental, governmental, regulatory and stakeholder conditions that will need to be considered by the Corps.

**Recommendation:**

- Revisions to the Principles and Guidelines should ensure that water resources planning procedures are compatible with program and project objectives, especially the needs of aquatic ecosystem restoration projects, and are not unnecessarily duplicative, inefficient and time- consuming.

**Issue 4: Collaborative Planning with other Federal and Non-Federal Organizations**

Section 4, "Watersheds," of the proposed Principles states: "Water resources planning is collaborative and should consider alternatives and strategies for implementation by other federal agencies, state and local agencies, Native American tribes, non-governmental organizations, affected groups and individuals and the public at large." The proposed language appears to limit collaboration on water resources ecosystem restoration projects to "consideration." However, in certain contexts and cases other agencies may be able to contribute high-quality products and in-depth knowledge that could replace the products and evaluations required of the Corps by the Principles and Guidelines, making possible greater efficiencies in project planning and evaluation.

**Recommendation:**

- The Secretary's proposed Principles should be revised to expand on the possibilities of collaborative planning to ensure that potential synergies between the Corps, agencies, non-governmental organizations, stakeholders, and other entities can be achieved to the maximum extent practicable.

NPCA appreciates the opportunity to provide these comments and we look forward to engaging in further dialogue with the U.S. Army Corps of Engineers as the review and revision of the Principles and Guidelines progresses.

Sincerely,

Theresa Pierno
Senior Vice President of Regional Operations

/signature waived for expedited delivery/